



DEEPWATER HORIZON

HOW NOT TO RESPOND TO A FATAL CATASTROPHE

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EXECUTIVE INTRODUCTION

On April 20th, 2010, when the B.P. Deepwater Horizon oil rig exploded and sank in the Gulf of Mexico, it became the largest oil spill in U.S. history. The explosion released over 130 million gallons of crude oil into the Gulf.

The BP oil spill, also known as the **Deepwater Horizon oil spill**, was analyzed for public and private sector responses. Media reports, TV and radio broadcasts, and public forum responses are collected and discussed here in multiple parts as they pertain to the PR campaign to restore the quality of the B.P. business image.

Here are the key highlights of this paper framed chronologically:

- **Results Day 0** - Failures in communication at the outset of the crisis:
 - **Delayed Response:** B.P. made the error delaying their initial acknowledgment of the crisis, and failed to make any critical communication for some time.
 - **Underestimating Impact:** Significant and long-lasting damage that this disaster devastated the general gulf region, and B.P. made a crucial mistake by Initially underreporting or downplaying the disaster's magnitude.
- **Results Week One** - Failures in communication during the first week of the crisis:
 - **Lack of Preparedness:** Unfortunately, many of these efforts initially failed, and B.P. tried to cover up their failures due to a lack of preparedness in their public communication.
 - **Inadequate Information Sharing:** Insufficient or inconsistent information provided by the company resulted in confusion and mistrust among the affected communities.
- **Results Month One** - Failures in communication during the first 30 days of the crisis:
 - **Inadequate Safety Measures:** B.P. did not have robust safety protocols in place and failed to enforce any safety measures they did have in place to prevent this kind of disaster.
 - **Poor Continued Response:** B.P. failed to deploy a rapid response that prioritized human life and transparent communication about rescue efforts.
- **Results Year One** - Failures in communication after a year of crisis consequences:
 - **Ineffective Communication Strategy:** B.P. failed to adequately address the concerns of even their most trusted business partners, stakeholders, and families of victims.
 - **Public Relations Over Substance:** B.P. focused more on the real and perceived damage to their business image rather than the actual mitigation of harm to life.
- **Results 10 Years later** - Failures in communication over the past decade:
 - **Long-term Consequences Ignored:** After failing to have a plan in place, or make a plan, to mitigate the the long-term environmental and health impacts of this disaster, B.P. then failed to communicate with organizations who could have helped.
 - **Corporate Responsibility Overlooked:** While B.P. communicated to the public that they took full responsibility for all damages, they failed to actually act upon this responsibility, which resulted in a loss of public trust and credibility.

INTRODUCTION

In April of 2010, the world was shocked by the horrific explosion of the Deepwater Horizon oil rig in the Gulf of Mexico, which would bring about the most catastrophic loss of sealife to a coastal sea region in the modern era. Some 800,000 avian species and several times more aquatic species were killed as a result of over 130 million gallons of oil pouring out of a broken oil line at the bottom of the ocean.

To this day, the consequences of the extreme negligence of B.P. and the handling of the cleanup process has been a topic of heated debate. However, it cannot be denied that the strategic employment of specific marketing and PR resources to minimize and downplay the consequences of the disaster were overall successful, culminating in the release of a Hollywood blockbuster to put the metaphorical icing on the cake of their incredible image management process.

This paper delves into the intricacies of the public reaction and subsequent reactions of the B.P. press teams as they worked with various marketing agencies, like our own, to restore the credibility of their image and mitigate shareholder losses.

METHODOLOGY

The following sources were used to collect a broad picture of the public reaction to the B.P. Oil Spill and the subsequent press releases, public statements, and other media released by BP to mitigate the overall negative impact that this media attention had on their business image.

Evaluative Criteria:

The evaluative criteria of this paper is based on five major categories of public interaction and public perception: disaster response, community agreement, government response, emergency response teams, and value of life. All of these categories are measured based on specific sources who validate a given correlating opinion to the positive or negative aspect of each category. This is the core of the determination for “What not to do” in these scenarios.

For example, many of the media sources who reported on this incident highlighted various aspects of the disaster response that they found lacking. B.P. presents a different view of these responses, and the subsequent apology videos of their CEO Tony Hayward begins to paint a clearer picture of how the response from B.P. came across as somewhat lacking in general.

These methodologies are used to judge the effectiveness of the communication methods employed by B.P. throughout the disaster, and how they relate to crisis communication. This paper goes over all the various aspects of what the news media reported on the incidents, and what B.P. claimed happened on their own website, through their own press releases, and from the mouth of their own CEO. We then analyze these aspects of communication and determine what takeaway value we can gather from the mistakes the company made in their responses.

RESULTS - DAY ZERO OF DISASTER

News Reaction from Mass Media

The mass media’s immediate coverage of the Deepwater Horizon incident focused on the explosion’s devastating impact. The reports emphasized the 11 fatalities and the beginning of the environmental crisis, detailing the extensive damage and the unfolding oil spill, which would become the largest offshore oil spill in U.S. history. Initial reports on the incident were a stark contrast to the downplayed response of B.P. At first B.P.’s didn’t even respond at all.



New York Times May 7 2010

What not to do:

Delayed Response: B.P. made the error delaying their initial acknowledgment of the crisis and critical communication from the company, and how it was involved in the disaster, was “slim to none” for some time. Many articles noted the overall negative public perception of the company as the disaster of the incident’s negative impacts were being broadcast quickly, while the company’s response was essentially nonexistent.

Underestimating Impact: There can be no denying the long-lasting damage that this disaster caused to the general gulf region, and B.P. made a crucial mistake in the Initial underreporting or downplaying of the disaster’s magnitude, which quickly eroded public trust when the actual severity of the catastrophe became apparent. When images of seagulls covered in oil reached enough screens, a picture sadly not unfamiliar in the larger history of environmental disasters, the impact was only then being understood for what it would eventually become.

RESULTS - WEEK ONE OF DISASTER

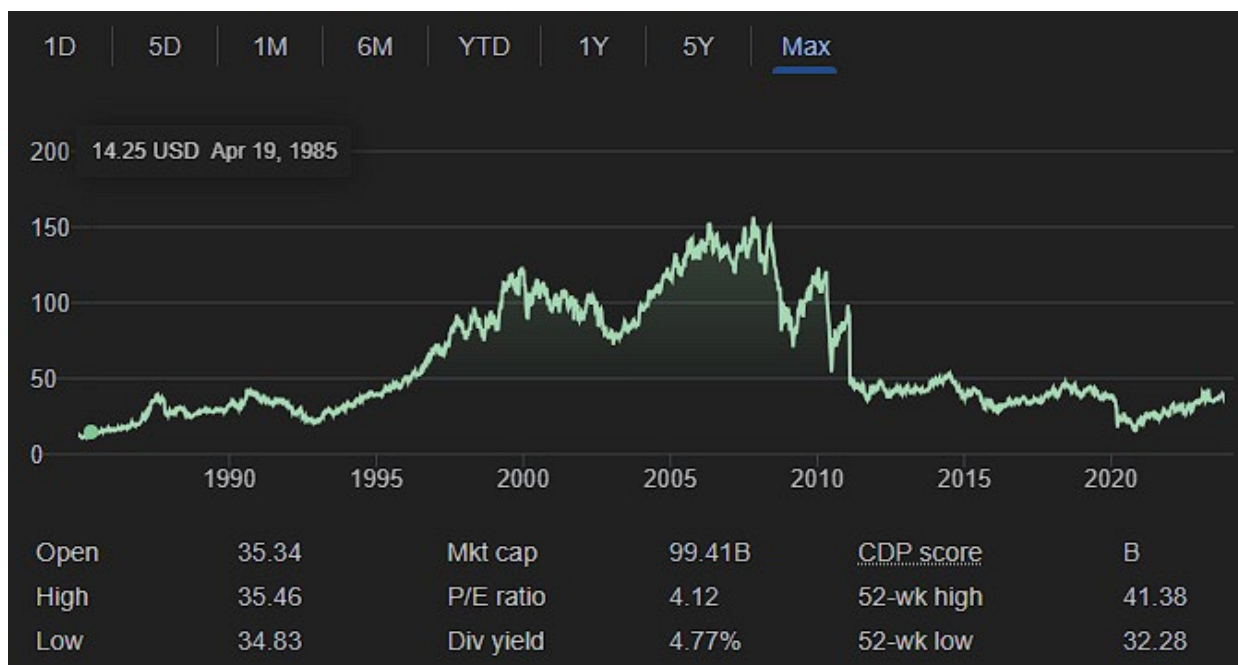
What happened according to BP:

Within the first week, according to their website, B.P. activated an extensive spill response, reflecting a rapid deployment of resources and expertise to assess and contain the damage. The company's immediate priority was the safety of the response teams and the assessment of the well and subsea blowout preventer with remotely operated vehicles.

What not to do:

Lack of Preparedness: Unfortunately, many of these efforts initially failed, or eventually failed, due to a lack of preparedness for this kind of disaster scenario. In general, it's reasonable to assume that most companies may not be fully prepared to address the media and public concerns promptly, but B.P.'s response to public media outlets in the first week would later be shown as a cover for their unpreparedness, a perception that was generally already a part of the media narrative only a week after the incident. This led to a general perceived lack of control over the situation, even by the government.

Inadequate Information Sharing: Insufficient or inconsistent information provided by the company resulted in confusion and mistrust among the affected communities. Even B.P. stakeholders showed extreme concern as not only their stock price fell dramatically, but their investor trust fell through the floor. As you can see from the chart below, it never recovered.



BP Stock Price Chart over 35 years | Source: Google

RESULTS - MONTH ONE OF DISASTER

What happened according to B.P:

B.P.'s communications during the disaster's early days acknowledged the fatalities and injuries, and the company's role in the response efforts was highlighted in any of their press release on their website. Rapid response teams were positioned for quick response and cleaning, indicating an early focus on managing both human and environmental impacts.

What not to do:

Inadequate Safety Measures: Not having robust safety protocols in place or failing to enforce them led to the worst-case scenario for this situation, and possibly the most catastrophic results that could have occurred given the machinery and variables in place. The repercussions were significant immediately, as adequate safety measures require adequate funding for preventative and responsive emergency systems. Take for example the concept of a broken feed pipe from the ocean floor. To date, aside from ROV maintenance drones, there would have been no measure in place to quickly cap and contain the damage that an oil spill could cause were a main feed pipe to break. According to a Time article "BP created a culture where profit was prioritized over safety, according to federal officials. And, as a result, the company paid a \$20 billion settlement for the environmental toll and another \$4 billion in a criminal probe."



*United States Environmental Services workers prepare oil containment booms for deployment
Source: Wikipedia*

Poor Continued Response: The immediate aftermath of a disaster required a rapid response that prioritizes human life and transparent communication about rescue efforts, and all of this requires a plan in place for such actions. Not only did no such plan exist, but the response of B.P. to not only contain the spill, but to service the rig and prevent further damage and loss of life was extremely lacking. To top it off, the United States Environmental Services workers eventually deployed oil containment booms as a countermeasure they had prepared, a stark contrast to B.P.'s total lack of response to address the oil spill itself.

RESULTS - YEAR ONE OF DISASTER

What happened according to B.P:

BP's public relations strategy included a commitment to transparency and cooperation with government agencies. Financially, B.P. reported considerable expenditures on response and clean-up, as well as compensation for claims filed by those affected by the spill. Technically it must be stated for the record that most of BP's efforts involved subsea interventions to stop the oil flow and contain the leak, which eventually failed, and were repaired, in multiple further incidents.

According to an article from Oceana: "B.P. made attempt after attempt to slow or stop the unfolding disaster, but each time, oil continued to seep into the ocean. The company tried deploying techniques that had never been used or proven effective in deep water – including covering the wellhead with a dome to contain the oil and using junk to try to seal the leak."



B.P. Oil Well continuing to spew oil. | Source: Oceana

What not to do:

Ineffective Communication Strategy: B.P. employed a communication strategy that failed to adequately address the concerns of even their most trusted business partners, let alone Trans-ocean or the Environmental Services Agency. From a business standpoint, there was no response to stakeholder concerns, let alone the families of the victims, the affected communities, and the environmental advocates shouting from the rooftops. B.P. exacerbated the situation at almost every given opportunity where clear communication was vital.

Public Relations Over Substance: B.P. focused more on the real and perceived damage to their business image rather than the actual mitigation and prevention of these kinds of disasters with adequate safety and preventative plans in place. This led to an overall chorus of criticism that the company was more concerned with its reputation than with taking substantive action.

RESULTS - 10 YEARS LATER

What happened according to B.P.:

A decade later, B.P. has been held accountable in some ways through significant financial settlements, an overall devaluation of the company, and the company claims to continue a commitment to substantial environmental restoration efforts. Their report indicated that the Gulf environment was returning to pre-spill conditions, although it must again be stated for the record that this point is highly contested by various sources and the long-term impacts on marine life are still being evaluated.



Gulf Waters 10 years later | Source: Jonathan Henderson

What not to do:

Long-term Consequences Ignored: B.P.'s perhaps most crucial mistake was Initially ignoring or failing to plan for the long-term environmental and health impacts of this disaster. This has led to ongoing litigation and damage to the company's image, alongside the very real damage to human health and lives in the region, aside from the horrific environmental damage, damage to businesses, properties, and even more importantly, to the greater ecosystem of the gulf region.

Corporate Responsibility Overlooked: B.P.'s failure to take full responsibility and adequately compensate for all damages resulted in a loss of public trust and credibility, which is reflected in the stock valuation that has never recovered, but moreover, reflected in the synonymy of "disaster" and "B.P. oil spill" as history's greatest series profit-motivated, greed-oriented corporate disregard for public safety.

CONCLUSION

There were a lot of failures on the part of B.P. in the Deepwater Horizon disaster, including their delayed response, lack of preparedness in general, and their disregard for the value of human life. Over time, we explored how this was reflected in the media narrative as various outlets explored BP's actions and the subsequent public and government reactions.

While B.P.'s response included extensive financial and technical resources aimed at containment, cleanup, and compensation, the scale of the disaster prompted scrutiny over the company's safety practices and the broader implications for the oil industry. In some ways, it could be claimed that this scrutiny did lead to positive government action. In 2012, Congress passed the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act (RESTORE Act), which allocated most of the Deepwater Horizon administrative and civil penalties to a restoration trust fund.

The impact of the spill on wildlife and the Gulf's ecosystem was profound, with long-term monitoring still to this day required to fully understand the recovery process. This case study underscores the complexity of disaster management and the importance of robust PR strategies in mitigating damage to a company's image in the aftermath of such events. However, it must be stated that these plans must be in place *before* the disaster takes place to yield the best results.

While BP's PR strategies aimed to address the various facets of the disaster's aftermath, the true 'cost of doing business' in such a high-stakes industry became a focal point of public discourse, influencing how corporations like B.P. approach disaster response and crisis communication in the future. B.P. is still used as a case study to this day, as we have done here today, to explore exactly what a corporation *should not do* in a disaster scenario.

By analyzing these 'what not to do' scenarios, companies can learn from BP's mistakes and ensure that they have robust crisis management plans in place, prioritize safety and environmental protection, maintain transparency, and effectively communicate during and after a crisis. These lessons underscore the importance of ethical considerations and proactive engagement in corporate strategy to mitigate the impacts of such disasters.

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